
Office of Financial Management

Agency: 105

Audit Report: 2003 Statewide Accountability Report

Finding Number: 03-17

Finding: The Small Agency Client Services (SACS) section of the Office of Financial Management (OFM) has inadequate password controls over financial systems to ensure assets are safeguarded.

Resolution/Status: OFM does not concur with this finding. However in October 2002, SACS further strengthened the existing system of controls by establishing unique logon identifications for the eight staff that enter and release transactions in the state's Agency Financial Reporting System (AFRS).

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Office of Financial Management

Agency: 105

Audit Report: 2003 Statewide Accountability Report

Finding Number: 03-33

Finding: The Capital Asset Management System (CAMS) maintained by the Office of Financial Management (OFM) lacks adequate controls to ensure that assets are properly safeguarded.

Resolution/Status: OFM partially concurs with this finding and has made the following changes to CAMS:

≠# Agencies control who and how many of their employees have purge access in CAMS. CAMS automatically generates a Daily Activity Report each day that activity occurs in the system. This report identifies all additions, deletions, and changes to assets made on that date. The report was modified in August 2003 to show the User ID of the individual who performed each transaction. OFM also modified CAMS to provide for the retention of the Daily and Monthly Activity Reports for six years. Starting with September 2004 activity, agencies are able to obtain copies of past saved daily and monthly reports by contacting OFM. Agencies have been instructed to retain the Daily and Monthly Activity Reports for three years. OFM has communicated these changes to agencies through training classes, on-line messages on CAMS, and messages to agency financial managers.

≠# OFM enhanced CAMS in August 2003 to edit the acquisition date. The user is now required to enter a valid date. Agencies are to reconcile their CAMS balances to their Agency Financial Reporting System (AFRS) general ledger capital asset control accounts.

OFM understands there is a weakness with assigned security access to CAMS. A feasibility study was completed and a replacement system for CAMS was recommended. With limited resources available to maintain CAMS, along with a new system being explored, it is not feasible to enhance the current security access at this time. Alternative controls at the agency level would provide compensating controls in this area. Agencies have the responsibility to assign CAMS access and to establish internal procedures and processes to ensure separation of duties, and OFM has provided information in training classes to help agencies accomplish this.

However, OFM partially disagrees with this finding. Agencies routinely use CAMS to record and track capital assets, small and attractive assets, as well as 'other assets.' These 'other assets' are not tracked for financial reasons, but rather for physical location reasons. In order to allow flexibility and accommodate the way agencies use the system to track various types of assets, CAMS was intentionally designed to allow a blank entry in the acquisition cost field for these 'other assets,' and to allow values less than \$5,000 for small and attractive assets.

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